REMARKS

Please reconsider the application in view of the above amendments and the following remarks. Applicant thanks the Examiner for carefully considering this application.

Disposition of Claims

Claims 2-10 are pending in the referenced application. Claim 8 is independent. The remaining claims depend directly from claim 8.

Rejections under 35 U.S.C. § 103

Claims 2-4 and 7-10 are rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,095,424 ("Prancz") in view of U.S. Patent No. 6,440,773 ("Usami"). The rejection is respectfully traversed.

"Obviousness can be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so. *In re Kahn*, 441 F.3d 977, 986 (Fed. Cir. 2006)." MPEP § 2143.01. However, "[i]t is improper to combine references where the references teach away from their combination. *In re Grasselli*, 713 F.2d 731, 743, 218 USPQ 769, 779 (Fed. Cir. 1983)." MPEP § 2145 X (D)(2).

Applicant asserts that there is no motivation to combine Prancz and Usami as Prancz explicitly teaches away from placing a contactless and a contact chip on a single card. Specifically, Prancz recites "it has proved to be advantageous in all the data carriers in accordance with the invention as defined hereinbefore if the module of the data carrier is intended <u>exclusively</u> for contactless uses. Such a data carrier has proved to be particularly easy and convenient to handle."

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(Emphasis Added) (Prancz, col. 5, ll. 50-54). Prancz further recites "FIG. 11 shows a chip card 46 forming a data carrier in accordance with a third embodiment of the invention <u>exclusively</u> for contactless uses." (Prancz, col. 18, ll. 37-39).

Moreover, Prancz recites "[a] further advantage is that a data carrier in accordance with the invention intended exclusively for contactless uses, as described hereinbefore, can be manufactured using machines and equipment known for the production of card-shaped data carriers for contact-bound uses, so that said machines and equipment serve a double purpose, i.e. for the production of known card-shaped data carriers intended exclusively for contact-bound uses as well as for the production of card-shaped data carriers in accordance with the invention intended exclusively for contactless uses, the production of such a card-shaped data carrier in accordance with the invention intended exclusively for contactless uses, merely requiring additional equipment for the production of the coil of such a data carrier for contactless uses only." (Emphasis Added) (Prancz, col. 17, Il. 30-45).

In view of the above, Prancz clearly teaches away from combining two chips in a single card as Prancz by emphasizing that it would be advantageous to have a card that is exclusively includes a contactless chip.

Accordingly, Prancz and Usami cannot be combined to render the claimed invention obviousness. Accordingly, claims 2-4 and 7-10 are patentable over Prancz and Usami.

Claim 5 stands rejected under 35 U.S.C. § 103 as being unpatentable over Prancz in view of Usami and U.S. Patent Application Publication No. 20010050138 ("Fujikawa"). This rejection is respectfully traversed. As discussed above, Prancz and Usami cannot be combined. From this it

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logically follows that Prancz, Usami, and Fujikawa cannot be properly combined to render claim 5

obviousness. Accordingly, claim 5 is patentable over Prancz, Usami, and Fujikawa.

Claim 6 rejected under 35 U.S.C. § 103 as being unpatentable over Prancz in view of Usami

and U.S. Patent Application Publication No. 20030183914 ("Wallace"). This rejection is

respectfully traversed. As discussed above, Prancz and Usami cannot be combined. From this it

logically follows that Prancz, Usami, and Wallace cannot be properly combined to render claim 5

obviousness. Accordingly, claim 5 is patentable over Prancz, Usami, and Wallace.

Conclusion

Applicant believes this reply is fully responsive to all outstanding issues and places this

application in condition for allowance. If this belief is incorrect, or other issues arise, the Examiner

is encouraged to contact the undersigned or his associates at the telephone number listed below.

Please apply any charges not covered, or any credits, to Deposit Account 50-0591 (Reference

Number 09669/056001).

Dated: November 12, 2007

Respectfully submitted,

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